

## **Chapter 1**

### **Bonds and Warrants**

#### **11-1-1 Auditor's certificate to show obligation within debt limit.**

The county auditor of each county, the auditor of each city, and the clerk of each board of education in this state shall endorse a certificate upon every bond, warrant or other evidence of debt, issued pursuant to law by any such officer, that the same is within the lawful debt limit of such county, city or school district, respectively, and is issued according to law. He shall sign such certificate in his official character.

No Change Since 1953

#### **11-1-2 Auditors may rely on certain facts.**

Whenever a county legislative body, board of city commissioners, city council, or board of education of any such county, city, or school district shall find or declare that any appropriation or expenditure for which a warrant or warrants are to be issued was or is for interest upon the bonded debt, for salaries, or for the current expenses of such county, city, or school district, such finding or declaration shall conclusively protect the county auditor, city auditor, or clerk of the board of education of any such county, city, or school district, as to such facts, in certifying any warrant or warrants therefor to be within the lawful debt limit of such county, city, or school district.

Amended by Chapter 227, 1993 General Session

#### **11-1-3 False certificate -- Class A misdemeanor.**

Any person mentioned in Section 11-1-1 who neglects to endorse any certificate as required, or who makes any certificate falsely and fraudulently, is guilty of a class A misdemeanor.

Amended by Chapter 178, 1986 General Session

#### **11-1-4 Sinking fund -- Investment.**

The legislative body of any county, municipality, school district, or taxing unit of Utah shall invest any sinking fund created by authority of law by following the procedures and requirements of Title 51, Chapter 7, State Money Management Act.

Amended by Chapter 285, 1992 General Session

#### **11-1-5 Form, time, and place of payment -- Held in trust.**

Whenever any county, municipality, school district or taxing unit within this state is authorized to issue and sell its bonds, they may be issued in serial form or in the form of term bonds and made payable in such manner and at such times, within legal limits, as such county, municipality, school district or taxing unit may determine. Principal and interest shall be made payable only at a duly incorporated bank or trust company operating under state or national banking laws or principal and interest may be made payable at such a bank or trust company or at the office of the treasurer of the issuer, at the option of the holder; provided, such alternative places of payment are designated in the bonds by the issuer at the time such bonds are issued.

All payments of funds either as principal or interest on any bonds issued by any county, municipality, school district or other taxing unit within this state paid to anyone other than the owner

of such bonds shall be regarded and held as trust funds, and the person, firm or corporation so receiving the same shall be held as a trustee of such funds holding the same for the benefit of the owners and holders of such bonds until the same are fully paid over. Until such funds are paid over by the person, firm or corporation collecting the same, they shall be set up and held in a separate trust account and not commingled or used by the collector in any manner whatever.

No Change Since 1953

**11-1-6 Violation of act a misdemeanor.**

Anyone violating the provisions of this act shall be guilty of a misdemeanor.

No Change Since 1953